REMARKS BY TOM DUNNE INTERNATIONAL SUSTAINABILITY CONFERENCE WASHINGTON, D.C. MAY 20, 2005

I want to thank EPA's Office of Research and Development for having the foresight to put on a conference like this. And I want to thank all of you in the audience for your interest in the issues being discussed over these three days. In my mind, we're all here looking for possible answers to a single question: how do we sustain global economic growth, and hoped-for improvements in the quality of human life and the environment, over the long term?

This is not a strictly economic question, nor a strictly environmental one. It is an interrelated combination of both. In fact, I am not sure what "sustainability" means unless it means long-term economic growth hand-in-hand with long-term improvements in environmental quality.

One of my responsibilities at EPA is to help manage the programs that assure the safe, environmentally-protective disposal of waste. Those programs have been around for about 30 years. Without a doubt, they have been successful. In the United States, we now have in place a set of protective standards and regulations governing the disposal of wastes, usually in landfills or incinerators. We track many of the more hazardous materials, and manage their health and environmental risks, from "cradle to grave."

All this is a big leap forward compared to common practice before the 1970s. But it is a leap that solves only a narrowly-defined problem: the risks entailed in waste disposal. It leaves unanswered larger questions related to the use of materials, questions that directly impact the disposal of wastes.

- Over the long run, does it make sense to use raw materials just once, and then throw them away?
- Over the long run, does it make sense to fill up today's landfills at today's rates, when sites for new landfills may be very difficult to find, and very expensive, in the future?
- Over the long run, does it make sense to spend more and more money managing more and more waste?

Managing wastes is absolutely essential in the short term. But over the long run, it will be much smarter – both economically and environmentally – to manage materials. And materials management basically means redesign, recycling, and reuse. A deep and widespread commitment to materials management not only will reduce the amount of waste in need of disposal, but will bring other economic and environmental benefits as well.

This is not a new idea. It's already accepted practice in many parts of the world. In fact, some European and Asian countries are paying more attention to managing materials than the United States. I understand that the European Union is developing a strategy for preventing and recycling waste, with an emphasis on life-cycle analysis. Japan has passed an ambitious law that moves toward a recycling-based society.

In this country, some state governments and private companies are beginning to see the advantages of materials management. At EPA we have encouraged the recycling of municipal wastes for many years.

More recently, we have begun to emphasize materials management more broadly through an initiative called the Resource Conservation Challenge. We identify specific waste streams, and then work with both generators and prospective users of those wastes to find new ways of using them.

So far, the results of this initiative have been very encouraging. We've formed a partnership with coal ash generators and companies that sell and use cement. So far, over 12 million tons of fly ash have been used to make cement. Materials management in this case has saved 350 million cubic feet of landfill space. Greenhouse gas emissions have been cut by 11 million tons. And crude oil worth about 175 million dollars has been conserved. Our coal combustion partnership has set a goal of reusing 45 percent of the country's coal ash, and increasing its use in concrete to 20 million tons.

EPA has also established partnerships with the manufacturers, retailers, and recyclers of consumer electronic products. Our partners have recycled and reused millions of pounds of electronics – like computers and cell phones – that otherwise would have been thrown away. We're now working with our partners to develop a comprehensive, national strategy for recycling and reusing electronic products or their components.

EPA has similar partnerships underway to manage material waste streams like foundry sands, construction and demolition debris, paper, containers and packaging, organic materials, and priority chemicals. And this is just the beginning. In my mind, managing materials is the single most important thing my office at EPA can do to ensure a sustainable economic and environmental future.

Materials management poses a host of challenges, not the least of which is operating in a new way at EPA. For its 35 years of existence, EPA has been primarily a regulatory agency. We identify problems, and then mandate changes in behavior. But, in my view, materials management in the United States should not be mandated by government. The opportunities and costs vary too widely from

material to material, and from company to company.

I recently read that one town in Japan now regulates the recycling of 44 different categories of waste. That's an impressive commitment to recycling, but I don't think it would work here. Americans respond much more positively to voluntary programs that appeal to civic pride, or personal values. So I don't think government regulations will be a big part of our materials management future.

Although EPA may not <u>mandate</u> recycling or reuse, we <u>can</u> encourage it, support it, and then get out of the way. In effect, by building voluntary partnerships we help build markets. This is a new role for EPA, one in which we're still not completely comfortable. In fact, some people don't think we should take on that role at all.

But I believe there is an important, though different, role for a regulatory agency. We have the best view of nationwide trends in waste streams. So we can identify targets of opportunity. We can bring together generators of waste products and possible users. If we find unintended regulatory barriers to those markets, we can help remove them. We can help assess the health and environmental safety of the products resulting from reuse. This kind of involvement will necessitate a different skill mix within EPA, but it's a change that I believe we have to make.

As I said earlier, the United States is not the world leader on this issue. In many ways, we're trying to catch up to what others are already doing. But I don't think materials management will be a competitive issue that divides trading partners, like oil or steel or food products sometimes do. Instead, a common commitment to materials management will help defuse some of those tensions, as recycling and reuse restrain the demand for virgin materials like crude oil.

In this case, we're all in the same boat looking for long-term sustainability.

We all live in the same global marketplace, paying basically the same prices for raw materials and finished products. Over the last few years, because of strong growth in several less developed countries, principally China and India, prices of raw materials have shot up. Those prices probably will fluctuate, as they always have. But they're going to fluctuate at a higher level.

High international prices for oil and steel have squeezed the economies of many countries, including the United States. One of the best things all of us can do, in the face of structurally higher prices for raw materials, is manage our materials more wisely. This is particularly true for developed countries that consume the most materials, countries like the United States. We have much to learn about materials management from the rest of the world. We have a long way to go in terms of efficient materials use. But we're getting there.

A few weeks ago I visited Lexington, Kentucky, on EPA business. For those of you who don't know, Lexington is the home of Keeneland, a famous, historic track for thoroughbred horse racing. Last summer, Keeneland became the first North American track to install a new kind of track surface. On its training track, Keeneland now uses a blend of polypropylene fibers, silica sand, and recycled rubber. Apparently, this kind of racing surface has lots of advantages over dirt or grass. But what struck me was the imaginative use of a waste material that would otherwise be sent a landfill.

This is a good example of the beneficial use of a vital natural resource, and I'm not talking about rubber. I'm talking about imagination. Somebody, somewhere thought that used rubber might help racetracks. Somebody tried it, installed it, tested it, measured it. In other words, somebody did the research and development necessary to take an idea out of the realm of the imagination into the

real world.

I hope this conference leads to more of that. More imagination, more research, more development related to materials management. We all want the global economy to grow over the long term. We all want the human quality of life to improve over the long term. We all believe that the quality of the environment is an essential component of the quality of human life. That's why economic and environmental sustainability are so important.

Materials management is now at the top of the list of what I hope to accomplish in my time at EPA. It should be at the top of the list of every country, every business, every community that cares about the future.

Thank you.